LHB 2452

19 52

File No.

CLASS P.W. DEPARTMENT
K BRANCH

Subject:— Valuation of the Hubli City Undertaking

BTK 7053

File No. LHB 2452—K

Std. Scott. Slip 24-B

Poona
Council Hall
Dated 22nd August 53

To

The Hon the Minister for Development. State of Bombay

Dear Sir

Yesterday I have spoken to you the Shirabli Electrical Supply Co. Ltd, the management of which has been taken over by the Government of Bombay temporarily. You have promised me to get complete information regarding the same after the present session of the Assembly is over. I am quite sure and confident that you will order your department to collect the necessary information and put the same before you within a week or so and you will let me know the same.

Handed over by hon Pres for reply during session & in pursuance of his undertaking & the company can be heard by the officer made by him is complete

22/8/53

Sir,

After I learn from you that the information is ready, I shall try to see you soon in the matter.

Hoping to be favoured and be obliged

I am

Yours most sincerely

R T Bagade

From R. T. Bagade M.L.A

K Nagpur

K 1918

LHB. 2452

Serial No. 80312

Swi P 29/8

2/8

EXPRESS.- DELVERY. 3

From: Mr.R.T.Bagade,
B.A;L.LB;
M.L.A.
Kolhapur.

Kolhapur,
Date: 1september 1952.

To,

319152

Hon. Naik-Nimbalkar,
The Minister for Develppment ,P.W.D.,
B O M B A Y.

~~Secy. P.W.~~
319152

Dear Sir,

During the last Session of our Assembly at Poona I had discussed with you regarding the Management of The Hubli Electricity Company Limited, and you told me on enquiry that the management of the said concern was assumed by the Government for the purpose of conducting the same temperarily for its better management and that the management may be given up and the concern returned to the person from whom it was taken up in due course.

Now,, that the former Managing Director Mr. M.R.L.Amte is dead since two years, and that his son Mr.P.R.Amte, a man of 35, young and energetic, well trained up in business of management and a good natured one, wants to take back the concern in his own hand, and run it efficiently and on lines most convenient and useful to the consumers and also the public, and its Shareholders

Sec. P.W.D.
I want to see the papers first and then I shall let Shri B. the day of interview

I wish to discuss with you this matter in further details in the next week ~~or~~. In order to avoid the further unnecessary complications with the present management I wish to see you in the next week.

Please, therefore, let me know whether you are there in the next week or so,

Awaiting your reply,

I am
Yours most sincerely,

R.T.Bagade

PR/A.
319152

K
4-9
P. W. D.
LH13 2452
518 36

5 LHB 2452/ 81886

K.Bn. P.W.D

Submitted with reference to the Secys. orders on p. 1 - ante & the Minister's minute on p. 3 ante.

2/- Shri R.T. Bagade, M.L.A. - desires pp 1-3 to discuss the question re:- management of the Hubli Ely. Undertaking with the Minister. The main papers on the subject [File No. LHB 2451/57678] which are under U.O.R. to the Elecl. Engr. since the 9-7-52, have been brought back informally and are put up below. The position in the matter is briefly as under:-

× Slip- Z
Fd No LHB 2451/57678 a ur p. 68

A The Hubli Electric license was originally granted to M/s. R.L. Ainte and S.S. Salimath carrying on business in partnership under the name & Style of Ainte and Company, Hubli. With the consent of Govt., the license was assigned on the 28-29 by the firm to M/s The Hubli Ely. Cy. Ltd. 5

In December 1942, reports were rced. from the District Magistrate, Dharwar re:- gross inefficiency and mismanagement of the Cy. Supply was also reported to have been stopped due to breakdown of engines. In view of such complaints the whole position was investigated in consultation with the Elecl. Engr. and the Cy. was informed that there were sufficient grounds for revocation of the license under section 4(1) of the Indian Electricity Act, 1910, but Govt permitted the license to remain in force under section 4(2) of Act subject to the conditions:-

1) that within a period of six months from the date of the letter they shd. recondition their plant and put the same in proper working order for the purpose of ensuring continuous and efficient supply to all consumers, and.

11) That they shd. make proper arrangement for the

the maintenance of the plant ~~and machinery~~ immediately
A notice to the effect that shd. the Coy. fail to take necy. steps to fulfil the above conditions its licence would be revoked, was also given.

The period of the notice expired on the 3-10-1943 As on reports recd. from the D.M., Dharwar and the Elecl-Engr. it was noticed that the Coy. was unable to put the Undertaking in satisfactory condition the Coy. was notified in January 1944 that the licence granted to it was revoked with effect from the 1-5-44.

Under section 5(b) of the IE Act, 1910, the Hubli Municipal Borough had the first option to purchase the ~~licence~~ Undertaking with the consent of Govt. That body having waived ~~the~~ its right it was decided to require the licensee to sell the Undertaking to some other person under section 5(c) of the Act and applications were accordingly invited. In the meantime a notice of suit challenging the revocation of the licence by Govt. was recd. from the Coy's Solicitors. Govt. itself therefore decided to ~~secure~~ purchase the Undertaking. The requisite order was accordingly served on the Coy. asking it inter alia to give possession of the Undertaking to ~~the~~ Shri Raghavan, Dy. Engr., but the Coy. refused to give possession pending the settlement of the price ~~of~~ and completion of the purchase of the Undertaking With a view to maintaining supply of ely. essential to the life of the community & also for giving a continuous supply to the blanket factory at Hubli, ~~at~~ ~~was~~ the control of the Undertaking was taken over by Govt. in exercise of the powers conferred by sub-rule (3) of rule (81) of the Defence of India Rules. The Defence of India Rules ceased to be in force as from the 1-10-46 and the ~~con~~ Undertaking continues to be in possession of Govt. under the provisions of section 5 of the Indian Electricity (Bombay Amendment) Act, 1946, ~~Act, 19~~ which

× was b. after Govt. working blanket for Mfr.

which was then specially enacted to meet this case.

3|- The question of settlement of the purchase price of the Undertaking to be paid to the Coy. was thereafter taken up by Govt. Govt. first appointed Shri C.B. Mersh late Elecl. Adviser to the Govt of Madhya Pradesh to assess and report on the fair market value of the Undertaking in accordance with the principles laid down in the proviso to section 5 (b) of the IE. Act. and on the basis of the his report Govt. on the 26-3-45 made an offer of Rs 6,76,364 for the purchase of the Undertaking to the Coy. The Coy. however did not accept the offer and raised certain ~~points~~ objections The Coy. was not also prepared to refer the question for arbitration as reqd by the provisions of the I.E. Act. In accordance with the advice of the Solicitors to Govt Govt subsequently decided to appoint an arbitrator ex parte and Shri Mullenaux was appointed as arbitrator in Jan 1946. When this appointment was communicated to the Coy, its Solicitors gave notice to Govt. to drop arbitration proceedings till result of the appeals which the Coy. was making to the Privy Council was known. The notice was replied by the Solicitors to Govt, who advised Govt. that the arbitrator shd. proceed with the arbitration. The report of the arbitrator was recd in April 1946. The report places the valuation of the Undertaking at Rs. 6,65,407. Shri Mullenaux has not however given his award. The Elecl. Engr. was therefore requested vide to take up the matter with the Solicitors to Govt & advise Shri Mullenaux how he shd. proceed further. Attention in this connection is invited to the O.N. dated the 5-1-52 & the Secy's orders thereon. on pp. 39-44 of File No LHB 24457/57678 which

× Slip-Z
File No LHB 24457/57678
Pp 39 44

which explains the various attempts made by the Govt. to settle the question re: price of the Undertaking. As directed by the Secy. (Shri Bedekar) an offer re price of Undertaking was made to the Coy. in G.L. No. LHB 2451K, dated the 8-2-52. The Coy. has not yet accepted the offer but has raised the following points in the matter :—

1) How the valuation of the Undertaking has been determined at Rs. 6,76,364.

2) What payments have been made by Govt. on behalf of the Coy. since the Undertaking is taken over by Govt.

The Coy. has also expressed a desire to take back the Undertaking & to run it efficiently.

4/- With regard to (1) above it is proposed to send a copy of statement showing the details about the amount of purchase price which was sent to the Coy. along with G.L. No. 566 of 36-El, dated the 26-3-45.

With regard to (2) the Elect. Engr was asked to submit a statement showing the details of the payment made by Govt on behalf of the Coy. A report was submitted by the Elect. Engr. on 1st June 1952. As this report was incomplete the Coy. has again been asked to submit a complete report in the matter. On receipt of his report the draft put up on pp 69-70 of File No. LHB 2452 2451/57678 will be issued.

As regards the Coy's proposal to take over the Undertaking it may be stated that the Coy's financial position is not very sound. It is unable to pay the bills of the Solicitors engaged by it to conduct the various appeals submitted by it against Govt. It has also approached Govt. for an advance of to pay an amount of Rs. 3½ lakhs out of the compensation payable to it. Besides Govt. has spent large amounts to improve supply position at Hubli. It does not therefore seem

LHB 24152/81886

seem advisable to hand over the Undertaking at this stage.

to the Cay. Dt. is therefore proposed in the draft reply on pp 69-70 of file No LHB 24151/57678.

to address the Cy. accordingly

× Slip Z

5/- Necy. draft reply to Shri Bagade is put up for approval. The Minister will kindly fill in the date and time for the interview in the draft.

13/9/52

DS(Dft)

Secy

× Minister.

× 16/9

G.S.
15/9

15/9

WMD
15/9

Thursday the 25th Sept (1 p.m.)
may be settled, and Shri B
should be informed accordingly

16/9/52

Guidelo

No. LHB 2452 K

11

LHB 2452/81886

P.W.D.

B.C. (Bombay No. 1)

17 September 1952

To

Shri R.T. Bagade, B.A., LL.B., M.L.A

Kolhapur.

Subject:— Management of the Hubli Electricity Undertaking.

Sir,

p.3

I am directed to refer to your letter dated the 1-9-52, addressed to the Minister for Public Works on the above subject and to state that the Minister will be pleased to see & discuss the above matter with you on Thursday the 25-9-52, at 1 p.m. in his office in the Public Works Department Secretariat Building

LHB 2452/51836

12

Building, Fort, Bombay.

Yours faithfully,

A.S. to Govt., PWD

DA. Nil

139-52

Immediate
Issue today
17/9

ISSUED
17/9/52 NBS

Issue Need (pl. resubmit
on 24/9/52)
pl see abstract
on 17.9.70 ?
file LHB 2451 below
& 1/- ack)

19/9

LHB 2452/2036.

K Br. P.W.D.

Resubmitted

2 Please see M.(P.W.D.)'s minute dt. the 16-9-52.

3. The necessary papers are submitted for the use of Minister at the interview with Shri R.T. Rayade, M.L.A., on Thursday, the 25-9-52 at 1 P.M. He has been informed vide our G-L. on p. 11 ante.

24-9-52.

D.S.(I.& E.) 24/9

Secy. WSD 24/9

25/9 M.(P.W.D.)

The party was interviewed by Hon. Pres. today. The Elec. Engineer to Govt. was also present.

M. would like to see the I.E. (Bombay Amendment) Act 1946 under which (A) Govt. Control over the Concern has been continued since the expiry of the Defence of India Rules & also any like Supplies at the time of resubmission of the case.

(B) M would also like to get the Elec. Engineer's Complete report about the payments made by Govt. on behalf of the Company since the taking over of the Concern by Govt.

25/9/1952 PA.

26-9-52

D.S. I&E

(A) & (B) to put up

25/9

25/9

H Br.

P.W.D.

Resubmitted with reference to P. A. to M.(P.W.D)'s note f. 15 dt. the 25-9-52 and D.S.(I&E)'s order f. 11 dt. the 25-9-52.

2. With reference to "B" of P. A.'s note f. 13 overleaf, the requisite information has been called for from the Elect. Engr. under this deptt. vor. No. ∠HB2451/57678, dt. the 9-7-52. He may, therefore, be addressed as per the draft put up for approval.

3. Action regarding "A" of P. A.'s note f. 13 overleaf will be taken at the time of resubmission of these papers to M.(P.W.D.)

26-9-52.

26/9

D.S.(I&E).

15. ∠HB 2452/d 1036

V. Urgent.

Letter.

No. ∠HB 2452 K.

P.W.D.

B.C. (Bombay No. 1),

27th Sept., 52.

To

The Elect. Engr. to Govt.

Subject :- Hubli Electricity Undertaking

Valuation of the —

Reference : This Deptt. wor No. ∠HB 2451/ 57 b 7d, dt. the 9-7-52, on the subject mentioned above.

2. Please return the mann papers together with complete report about the ...

the payments made by Govt. on behalf of the Hubli Electricity Co., Ltd., since the taking over of the concern by Govt. The report should be submitted as early as possible and in any case not later than the 15-10-52. ~~if not earlier~~ D. A.— Nil.

26-9-52.

By order etc.

A. S. to Govt

V. urgent
Yes
26/9
Ku bid (Dy.)
27/9

Letter.

VERY URGENT.
No.LHB 2452 K.

Public Works Department,
Bombay Castle (Bombay No. 1),
27th September 1952.

To

The Electrical Engineer to Government.

Subject:-Hubli Electricity Undertaking.
Valuation of the -.

Reference: This Department unofficial reference No.LHB 2451/57678, dated the 9th July 1952, on the subject mentioned above.

2. Please return the main papers together with complete report about the payments made by Government on behalf of the Hubli Electricity Company, Limited, since the taking over of the concern by Government. The report should be submitted as early as possible and in any case not later than the 15th October 1952.

By order of the Governor of Bombay,

Assistant Secretary to the Government of Bombay,
Public Works Department.

D.A:-Nil.

ISSUED
Date...29-9-52

2
VA/27/9/52.
27/9/52

V. T. Magdi
M. L. A.

HUBLI. 10th October'52

OFFICE OF THE MINISTER FOR PUBLIC WORKS DEPT
Recd. on 14/10/52
Disd. on 14/10/52
Passed on to Secy. P W ...Dep
on 14/10/52

To,
The Honourable Minister,
For Public Works Department,
Fort, Bombay.

Re; The Hubli Electricity Co.Ltd.,Hubli.

Sir,

The circumstances that are developed to give rise to suspicion in the mind of the public and Share holders of The Hubli Electricity Co.Ltd., Hubli, forced me to write this letter for your kind and symphetic consideration and necessary and urgent action:-

2 The Government of Bombay assumed the managemen of the local Power House called The Hubli Electrici Co.Ltd.,Hubli, under section 4 of The Indian Electricity Act about four years back. Since then, for some years, the disputes arose between the Government and the Managing Agency regarding the propriety or otherwise of the action of the Government. Due to prolonged litigations in the Court of Law, the interests of the shareholders had much suffered and they are kept in the darkness with regard to the cost of the administration and the profit gained or loss incurred in the business. It is a murmur of many a shareholder that no offical report regarding affairs of the said Company is being presented so far for their information. It seems that even the Managing Agents of the said Company are not in a position to explain the whole situation. The Public are reading the reports published in local vernacula papers, that are not so congenial and that are creating confusion. The shareholders do feel and they are justified in so feeling that it is a lamentable affair that their proprietory right over the said company has neither been paid heed to by the Government, nor by the Managing Agents. Their position has been reduced to nullity. Even though the administration of the said company is professing to render

Conti--

V. T. Magdi
M. L. A.

HUBLI. 10- 10- 1952.

(Continued-)

to render satisfactory service to the Hubli Public, the shareholders whose hard-earned money was the cause of its birth are uncared for and thrown out.

3 I learn from reliable sourge that after the death of late Shri.R.L.Amte,B.A;L.L.B; there seems to be radical change in the attitude and vies of the Managing Agents. The present Managing Agents seem to be more anxious to bring harmony and concord between the administration and the share - holders.

4 Instead of allowing the things to deteriorate if the Government is pleased to take definite line of action and settle it amicably and early, I hope the prestige of the Government would be enhanced in the estimation of the shareholders in particular and public in general.

5 I further learn that some vested interests beyond Karnatak are taking active measures to deprive the local shareholders of their interest and concern in the said company and thereby jeopardising the cause for which it is in existance.

6 My deep concern in the interest of the Public and Government actuated me to write this brief letter for expediating and settling the belated matter in the best interest of the shareholders and public at large.

7 An early reply is anxiously awaited,

Yours faithfully,

V T Magdi

See. P. W. D.
& discuss
14/10 14/10/52

Pl put up all papers urgently
15/10

K
16-10

P. W. D.
Proj No. (HB 2452
Serial No. 97502

Shirin Nand
16/10

V. Singh
K
15/X/10

LHB 2452/97502

Public Works Department.

'K'

2.

Submitted with ref. to Secy.'s orders dt. the 15-10-52. The main papers on the subject are put up herewith.

2. The facts of the case have been explained in the office note dt. the 13-9-52 which may kindly be perused. Attention is also invited to P.A.to M.(P.W.D.)'s note dt. the 25-9-52.

3. As desired by M.(P.W.D.) a copy of the Indian Elecy. (Bombay Amendment) Act, 1946, is put up below.

4. The El.Engr. has since submitted his report as called for in the office note, dt. the 5-7-52, vide his endt. No. LRM 11/8734, dt. the 6-10-52. As regards para 3 of the office note dt. the 5-7-52, the El.Engr. has confirmed that the articles in question were deliver to the Hubli Elecy. Co.,Ltd., and that the cost thereof amounting to Rs. 824-8-0 will have to be deducted from the valuation amount to be paid to the Co.

5. As regards para 4 of the office note dt. the 5-7-52, viz. regarding payment of the balance of the ~~Munpl.~~ Municipal Taxes in respect of the Co. for the year 1944-45, the El.Engr. reports that no arrears on account of such taxes were due to be paid and hence no amount was paid in that respect. That officer has also submitted a statement of an amount paid but which was not included in the statement previously submitted by him. The correction pointed out by the El.Engr. in para 5 of his endt. has also been carried out in the statement. The El.Engr. having submitted his report about the payments made by Govt. on behalf of the Co. since the taking over of the Electricity Undertaking by Govt., the draft letter proposed in para 5 of the O.N. dt. the 5-7-52 requires to be ~~may perhaps now issued~~ slightly amended. The amended draft is put up for approval on page 29 front.

6. Pl. see also the letter dt. the 10-10-52 from

Shri...

Shri V.T. Nagdi, M.L.A. The facts of the case may, perhaps, be explained to him as per the draft put up for ~~appt.~~ approval. The Secy. is to discuss the case with Minister, vide his minute on 21-10-52. Page 21 ante.

22/10/52

D. S. (I & E)

Secy.

Discussed with the Minister. A revised draft reply is put up for approval at P. 29 post. It may issue along with P. 27.

25/10

27/10/52

M (PWD).

27/10

22/10

LHB 2452/97502.

No. LHB 2452 K.

P. W. Deptt.,
B.C. (Bombay No.1),
Oct. 1952.

To

Shri V. T. Magdi, M.L.A.,
Congress House, Hubli.

Sub:- The Hubli Electricity Undertaking:
Valuation of the -.

Sir,

I am directed to refer to your letter dt. the 10-10-52 addressed to the Minister for Public Works on the subject mentioned above and to state that with a view to settling as quickly as possible the question of the purchase price of the Hubli Electric Undertaking, Govt. addressed the Hubli Electricity Co. Ltd., on the 8-2-52 making an offer of Rs. 6,76,364/- as the value of the Undertaking to be paid to it, the actual amount to be paid being determined after taking into consideration the payments made by Govt. on behalf of the Co. Since however, the Co. desired to have further information in the matter as per its letter dt. the 22-2-52, (copy enclosed) the same was called for from the local officer. The report from the local officer has now been received and the requisite information is being furnished to the Company and on the Company's accepting the offer made by Govt., the requisite payment will be made to it. I am to add that the payments due to the share holders of the Co. will have to be made by the Co. direct after the receipt of the purchase price of the Undertaking from Govt.

Yours faithfully,

Asstt. Secy. to the Govt. of Bombay,
P.W.D.

VMW.
21/10/52.

D.A.- Copy of letter referred to.

21-10-52.

No.LHB 2452 K. Public Works Department,
Bombay Castle (Bombay No.1),
28th October 1952.

To

Messrs. The Hubli Electricity Company, Limited,
Post Box No.23,
HUBLI.

Subject:- Valuation of the Hubli Electricity Undertaking.

Sirs,

I am directed to refer to your letter dated the 22nd February 1952, on the above subject and to state that a statement showing details of the amount of Rs.6,76,364/- was sent to you along with Government Letter No.5660/36-El., dated the 26th March 1945. A copy of the same is however enclosed as desired.

2. With regard to the payments made by Government on behalf of the Hubli Electricity Company, Limited, I am to enclose two statements showing the particulars of the payments made by Government so far on behalf of the Company. In this connection, I am to add that it has been reported that the Company has not so far made any payment towards the cost of electrical energy consumed by the Company in the premises occupied by it. The final amount due from the Company on this account on the date of the payment of the valuation amount, will be deducted from the valuation amount payable to the Company. An amount of Rs.824-8-0 on account of the 34 articles quoted in Government Letter No.5660/36-El(I), dated the 7th June 1946, will also be deducted from the valuation amount.

3. As regards your request that the Hubli Electricity Undertaking should be handed over either to the Company or to a committee of local merchants I am to state that Government does not consider such a proposal feasible at this stage.

4. I am to request you to convey as soon as possible your acceptance ~~or otherwise to~~ of the offer made to you in Government letter No.LHB 2451 K, dated the 8th February 1952.

Yours faithfully,

Deputy Secretary to the Government of Bombay,
Public Works Department.

D.A.-Statements and
copy of G.L.refd.to.

Copy, with a copy of the letter replied to forwarded to -
the Finance Department,

M/s.....

Messrs. Little and Company, Solicitors to Government,
in continuation of Government Endorsement No.LHB 2451 K, dated the
8th February 1952.

Copies also to the Electrical Engineer to Government with reference to his No.LRM 11/8734, dated the 6th October 1952.

Vsm
22-10-52.

Vsm/22.10.52

ISSUED.
30/10/52

29

No. LHB 2452 K

Public Works Department,
Bombay Castle (Bombay No. 1),
28th October 1952.

To
Shri V. T. Magdi, M.L. A.,
Congress House,
Hubli.

Subject: The Hubli Electricity Undertaking:
Valuation of the -

Sir,

I am directed to refer to your letter dated the 10th October 1952 addressed to the Minister for Public Works on the subject mentioned above and to state that your reference to Government having assumed only the management of the Company and your impression that the Government is answerable for its management &c. to the shareholders are not correct. Government took possession of the undertaking and Section 5 of the Indian Electricity (Bombay Amendment) Act, 1946 provides: "Where the Provincial Government has before the coming into force of this Act taken possession of any undertaking pending the purchase thereof by it under the said Act, such possession shall be deemed to have been taken in pursuance of an order issued under Section 7-A of the said Act". Section 7-A provides for vesting of the undertaking in Government from the date of compliance with the order when Government elects to purchase the undertaking under Section 5. In this case Government has exercised that option to purchase and taken possession and the undertaking vested in Government years ago. Government thus is the owner of the undertaking and not merely manager.

2. As regards the payment of the price for the undertaking the matter has been under correspondence with the Company and the latest position is that with a view to settling as quickly as possible the question of the purchase price of the Hubli Electric Undertaking, Government addressed the Hubli Electricity Company Limited, on the 8th February 1952 making an offer of Rs. 6,76,364/- as the value of the undertaking to be paid to it, the actual amount to be paid being determined after taking into consideration the payments made by Government on behalf of the Company. Since however, the Company desired to have further information in the matter as per its letter dated the 22nd February 1952 (copy enclosed) the same was called for from the local officer. The report from the local officer has now been received and the requisite information is being furnished to the Company and on the Company's accepting the offer made by Government, the requisite payment will be made to it. I am to add that the payments due to the shareholders of the Company will have to be made by the Company direct after the receipt of the purchase price of the undertaking from Government.

3. It is pertinent to point out that in several letters in the past Government pressed the Company to settle up the price quickly but the Company protracted proceeding and even questioned as to why there was such hurry. The price, of course, would have to relate to the date of the purchase, namely, the date of vesting and Section 2 of the Indian Electricity (Bombay Amendment) Act, 1946,

qualifies

qualifies Sections 5 and 7 of the Indian Electricity Act 1910 by the addition of the following proviso:

"Provided that where the undertaking vests in the Provincial Government under the provisions of Section 7-A for the purposes of valuation, the time of such vesting shall be deemed to be the time of purchase".

You may therefore use your good offices with the Company, if you so desire, for settling up the price question at an early date.

Yours faithfully,

Dy.
Assistant Secretary to the Government of Bombay, Public Works Department.

D.A. Copy of letter* referred to.

* Slip 2
file No LHBRA 51/57678
pp 55-57

Accounts
RECEIVED
30/Col/1951

28/10

Un bd (pp. 27-31 3½ each)
28/10

Await (172-52)
1/11

No. LHB 2453 K.

Public Works Department,
Bombay Castle (Bombay No.1),
7th March 1953.

From

The Deputy Secretary to the Government of Bombay,
Public Works Department.

To

The Managing Agents,
The Hubli Electricity Company, Limited,
Post Box No. 23,
Hubli, District Dharwar.

Subject:- Valuation of the Hubli Electricity Undertaking.

Sirs,

With reference to the correspondence ending with your letter dated the 9th December 1952, on the subject mentioned above, I am directed to state that the amounts of Rs. 1,622-4-0 and not Rs. 1,623-4-0, and of Rs. 721/- were paid on account of the premiums due for the period when the possession of the Undertaking was taken over by Government and as such the Undertaking was not liable for the payments of these amounts. Accordingly, a revised statement is forwarded, as desired by you.

Your's faithfully,

Deputy Secretary to the Government of Bombay,
Public Works Department.

Copy....

D.A.- Statement.

Copy, with a copy of the statement referred to above forwarded to the Electrical Engineer to Government with reference to the correspondence ending with his letter No. IRM.11/17667, dated the Nil February 1953.

2000-5-42

The Hubli Electricity Company, Limited.

MANAGING AGENTS:
MESSRS. AMTE & CO.
HUBLI. (DHARWAR)

TEL. ADDRESS
"ELECTRICITY COMPANY"

POST BOX NO. 23.

REF.

Hubli, 9th December 1952

The Deputy Secretary,
Government of Bombay, P.W.D.,
Bombay.

Dear Sir,

While going through the statements sent to us along with your letter No.LHB 2452 K of 28-10-52, showing particulars of the payments made by the Government on behalf of the company, we find that a sum of Rs.1,623-4-0 and Rs.721/- paid on 6-7-1945 towards war risk insurance premiums have been wrongly debited to the company's account since the said premiums were due for periods when the the entire possession of the company's undertaking was at the hands of the Government only.

As a matter of fact the government itself is liable for the payment of the said war risk insurance premium for period from May 1944 on wards from which date govt. took the entire possession of the company's undertaking. Such being the case, we think that these payments must have been wrongly included in the payments made by you on behalf of the company.

If you were to glance at the other debit items of Rs.33-9-9 for rent of Keshwapur Sub-station, Rs.4-6-3 for rent of Kamripet Sub-station, 0-8-0 for rent to the Hubli Municipal Borough for Electric Poles, it is quite evident that payments due only up to the 2nd day of May 1944, by the company, which have been subsequently paid by the Govt. for the said period only, have been debited to company account and payments made for subsequent periods are on Govt account only.

Such being the case, the company is not in any way liable for the said payments of Rs.1,623-4-0 and Rs.721/- and it is, therefore, requested that the said statement may please be corrected accordingly and fresh statement sent to the company.

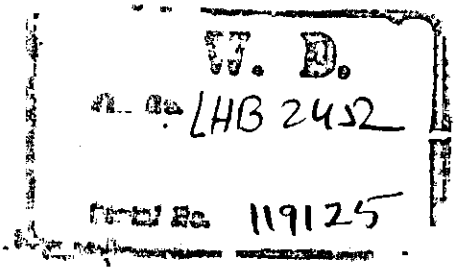
Thanking you to receive your early reply.

Yours faithfully,
For The Hubli Electricity Co, Ltd.,

Amte & Co.

Managing Agents.

K
12/12



LHB 2452 | 11/9/25.

K.Bv.

Submitted with refce. to Gr. No: P-27 LHB 2452 K, P.W.D. dated the 28-10-1952.

2. A copy of letter under refce. P-33 may be forwarded to the Rl. Engr. P-36 Post to Govt. for favour of remarks.

Necy. draft is put up for approval

K.BA.
28/12/52.

28/12

Dy (I.Sz.)

No: LHB 2452 K.

36
Letter.

LHB 2452/119125.

P. W. D.,
BC (Bombay No. 1),
30th December 1952.

To:
The El. Engr. to Govt.

Subject:- Valuation of the Hubli Electricity undertaking.
Refce:- G.E. No: LHB 2452 K, dated the 28-10-1952. P-27

2. The enclosed copy of letter dated the 9-12-1952, P-33 from the Managing Agents, The Hubli Electricity Company, Limited, Hubli, is enclosed for favour of early remarks.

K.H.
28/12/52.

By order etc.,
As. to the Govt. of Bombay,
P. W. D.

P-33
DA. Copy of letter refd. to.

Accts
30/12/52

Gss
29/12

Audit (351-53)
30/12

Supdt H
2/2

LAB 2652 K

K Br.

P. W. D.

LAB 2652 Ic

The El. Engr. to Govt. expedited under no. LAB 2652/119125 dated 4-2-53

ASB
3/2

Supdt.

Audit (4-3-53)
4/2

No. LFH II/1767 of 1953.
P.W.D. Offices, Churchgate Street,
Fort, Bombay(1), February 1953,

To

The Chief Engineer (Roads and Buildings),
Public Works Department, Bombay.

Subject:- Valuation of the Hubli Electricity Undertaking.

Reference: Government Letter, Public Works Department No.LHB 2452 K, dated the 30th December 1952. P-36

It has now been reported by the Executive Engineer, Bombay Electrical Division, Bombay that the amounts of Rs.1622-4-0 and not Rs.1623-4-0 as reported vide this office endorsement xNo.LRM 11/3698, dated 18th June 1952 and of Rs.721/- were paid on account of the premiums due for the period when the possession of the company's undertaking was taken over by Government and as such the Hubli Electric Supply Company was not liable for the payments of these amounts.

Electrical Engineer to Government.

x Note "A", P-65.
File No: LH 62451
69890
MAB/19/2/53. (Keep below.)

k
2310

LHB 2452

21548

LHB 2453/21548.

K.Br.

P.W.D.

Submitted with refce. to G.I.No: LHB 2452/K P-36.
dt. the 30-12-1952.

2. In view of the El. Engr. to Govt's remarks P-39.
within, necy. draft is Put up for approval. P-42 Post

Thro'. X.Br.

for info. KSR.
4/3/53.

1 205.(3.05.) 5/3/53 See the file of the Sluices is correctly marked SB

No: LHB 2453 K.

LHB 2453/2154.

P.W.D.,
Bx (Bombay No.1),
4 March 1953.

To
The Managing Agents,
The Hubli Electricity Company, Limited,
Post Box No: 23,
Hubli, District Dharwar

Subject:- Valuation of the Hubli Ely. undertaking.

Sirs,

P-33.

With refce. to the corres. ending with your letter dated the 9-12-1952, on the subject mentioned above, I am directed to state that the amounts of Rs. 1622-4-0 and not Rs. 1,623-4-0, and of Rs. 7211-were paid on account of the Premiums due for the Period when the possession of the undertaking was taken over by Govt., and as such the undertaking is was not liable for the payments of these amounts. Accordingly, a revised Statement is forwarded, as desired by you.

Yours faithfully,
Os. to the Govt. of B'bay
P.W.D.

Copy, with a copy of the Statement refd. to above, forwarded to the El. Engr. to Govt. with refce. to the corres. ending with his letter no: LRM. 11/17667, dated the Nil February 1953.

KBH 4/7/53.

DA. Statement
x Slip "B", P-32.
File Kept ...

Statement showing particulars of payments made on account of [illegible] Public Works Department Limited, by the Executive Engineer, Bombay Electrical Division, Public Works Department.

Sl. No.	Name of the payee.	Authorisation for the payment made.	Cash voucher and date of payment.	Amount.	Remarks.
				Rs.	
1.	The Mahlatdar, Hubli.	Government Letter, Public Works Department, No. 5660/36-KL(i) dated 1st August 1945.	Cash Voucher No. 39 for 6/46.	56-3-3	Charges for non-agricultural assessment.
2.	Messrs. Valvoline Oil Company.	-do- dated 11th April 1945.	Cash Voucher No. 33 for 7/45.	954-0-0	Charges paid for the supply lubricating oil.
3.	Shri A.J.Pinto, Hubli.	-do- dated 3rd May 1949.	M/12 for 10/49.	33-9-9	This represents the portion of the total amount of Rs. 250/- paid for the ground rent for Keshavpur Sub station for the period from 1-9-43 to 2-5-1944 at Rs. 50/- per annum, the balance for the period from 3-5-1944 to 31-8-1948 having been borne by Government, since the control of the undertaking was taken over by Government from 3-5-1944.
4.	The Sheriff of Bombay.	Government Letter, Public Works Department, No. LNB 2961 K, dated 17th August 1951.	Cash voucher No. 35 for 8/51.	31,232-6-0	
5.	Messrs. Little and Company, Solicitors to Government, Bombay.	-do- dated 20-3-1952.	Cash Voucher No. 57 for 3/52.	40,124-5-11	
				72,400-9-0	

M.
Dkg